TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE

FISCAL MEMORANDUM

HB 540 - SB 427

March 15, 2021

SUMMARY OF ORIGINAL BILL: Specifies that public community colleges are not required to have a certain number of students enrolled for a directional highway sign to be erected for the college.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - $976,100/FY21-22/Highway Fund

SUMMARY OF AMENDMENT (004647): Deletes all language after the enacting clause. Requires that any state community college within the service area of Roane State Community College (RSCC), regardless of the number of students be signed.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures - $177,500/FY21-22/Highway Fund

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 54-5-708(1), all state community colleges may be signed on the highway system if the colleges are within 19 miles of an interchange on the highway system. Each institution meeting this criterion shall be signed at only one interchange and shall be signed at the closest location, except where more than two destinations are required to be signed at the same interchange.
- According to Department of Transportation rule 1680-03-02-.08, to be considered for such signing, an institution must be identified on the Tennessee Higher Education Commission website and the institution must have a minimum enrollment of 1,000 full-time and part-time students.
- There are currently eight unsigned RSCC campuses that would be impacted by this legislation, as amended.
- The typical cost for a full set of highway signs, which includes two mainline signs, two ramp signs, and one trailblazer sign is $22,184 for creation and erection.
- The total increase in state expenditures from the Highway Fund is estimated to be $177,472 ($22,184 x 8) in FY21-22.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Krista Lee Carsner, Executive Director

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